



May 12, 2003

The Honorable William Thomas
Chairman, Committee on Ways & Means
1102 Longworth House Office Building
Washington, DC 20515

Dear Chairman Thomas:

On behalf of Zurich North America (ZNA), I am writing to express support for changes you plan to make to your international tax legislation. ZNA is the third largest commercial property-casualty insurer in the U.S., employing over 10,000 Americans and operating in all 50 states. Our parent, Zurich Financial Services, is a Swiss-based financial services company with operations in 60 nations, the largest market of which is the United States.

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Due to our international structure, as well as the nuances of the property-casualty business, ZNA had been concerned with the "earnings stripping" proposal included in your international tax legislation last Congress. It is our understanding, though, that you now plan to incorporate changes into this year's version, namely eliminating the worldwide limitation language, thereby retaining current law's "netting" requirements. These changes would address ZNA's concerns, and we wanted to express our appreciation for your willingness to address this important matter.

Thank you again, and please do not hesitate to contact me at 202-585-3150 if you have questions, comments or suggestions.

Sincerely,

Francis Bouchard
Senior Vice President & Director,
Government Affairs